

State of Utah DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt Governor Lowell P. Braxton Division Director 1594 West North Temple, Suite 1210 PO Box 145801 Salt Lake City, Utah 84114-5801 801-538-5340 801-359-3940 (Fax) 801-538-7223 (TDD)

July 21, 1998

CERTIFIED RETURN RECEIPT P 074 976 654

Allan Young Sunshine Mining Company 877 West Main Suite 600 Boise, Idaho 83702

Re:

Release of Surety Bond, Sunshine Mining Company (Sunshine), Apex/Burgin Mine, M/049/009, Utah County, Utah

Dear Mr. Young:

On July 2, 1998, the Division received an interim surety bond from Tintic Utah Metals, LLC (Tintic) for the Apex/Burgin mine. In response to a subsequent Division request, Tintic forwarded a letter (received July 20, 1998) to our office assuming full responsibility for Sunshine's current permit and all of the associated reclamation responsibilities. This written commitment was required to allow us to release Sunshine's existing \$350,000 surety bond before the formal permit transfer documents are finalized.

The Division hereby releases Sunshine's existing surety bond for this project. Tintic Utah Metals, LLC is now the party responsible for all continued mining and reclamation activities associated with this project. Sunshine is now released from its mining and reclamation obligations for this project.

Enclosed please find the original surety bond #18 S 100125197 in the amount of \$737,000. We are also returning surety riders #18S100125197 and #71S 100125197 BCA which subsequently reduced the reclamation surety to the current \$350,000 amount.

Thank you for your continued patience and assistance in finalizing the transfer of the existing Apex/Burgin Mine permit from Sunshine Mining Company to Tintic Utah Metals, LLC.

Sincerely,

Lowell P. Braxton

Director

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3E, \$300

Enclosure: Original surety w/2 riders

Tom Gast, Environmental Management Services

Paul Spor, Tintic Utah Metals, LLC

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